OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

Notification dated Bangalore, 27th July 1909.

It is hereby notified for general information that an institution known as THE CENTRAL CO-OPERATIVE BANK has been started under the Mysore Co-operative Societies Regulation at Bangalore, for the purpose of granting loans through Co-operative Societies in the Mysore State to land-holders, artizans and others for agricultural, building and other approved purposes.

2. The rate of interest on all loans is for the present at 7½ per cent per annum.

3. The following gentlemen form the Managing Board of the Bank:—

1. Rajamanthra Pravina C. Srinivasa Iyengar, Esq., (Retired Councillor) President.
2. M. S. Narain Rao, Esq., (Retired Deputy Commissioner) Vice-President.
3. C. B. Seshagiri Rao, Esq., (Retired Sub-Judge) Secretary.
4. V. Arunachala Mudaliar, Esq., (Retired Executive Engineer) Member.
5. D. Appu Rao, Esq., (Retired Survey Deputy Superintendent) do

4. Applications for loans should until further notice be made through the Registrar of Co-operative Societies.

No. 361--C. S. 24, dated 16th August 1909.

In continuation of this office notification dated 27th July 1909, the following bye-laws of the Bangalore Central Co-operative Bank, Limited, started for the purpose of financing Co-operative Societies are published for the information of the public.

M. SHAMA RAO,
Registrar.

RULES OF THE BANGALORE CENTRAL CO-OPERATIVE BANK, LIMITED.

1. The main object of the bank is to collect funds for financing Co-operative Societies established under Mysore Regulation III of 1905. Its address shall be "The Bangalore City." Its operations may extend to any part of the Mysore State.

2. The capital of the Bank shall, for the present, be Rs. 50,000/- made up of 200 shares of Rs. 250/- each. Any person over 18 years of age and of sound mind, residing within the Mysore State, shall be eligible for admission. Every member joining the Bank must take up at least one share, but no member can at any time hold more than four shares, without obtaining the sanction of Government. The duty of admitting members and of allotting shares to them, subsequent to the registration of the Bank, shall vest in the Board of Management.

3. The liability of the members shall be limited to the share-capital subscribed by them.

4. No member shall be permitted to transfer any share held by him unless he had held ~~such~~ share for a period of at least one year. No transfer of a share shall be allowed unless the transferee be either the Bank itself, or a member of the Bank, or some person who is eligible for admission, and whom the Board of Management is willing to admit as a member. No transfer of a share shall be operative unless and until it is sanctioned by the Board of Management.

5. Should a member die and should his heir or representative in interest be willing to join as a member, and the Board of Management be willing to take him in, it shall be open to the Board of Management to transfer the share or shares held by the deceased member to his heir or representative in interest. Should, however, the heir or representative in interest of a deceased member be unwilling to join as a member, or should the Board of Management be unwilling to take him in, it shall be the duty of the Board of Management to proceed under Section 16 of Mysore Regulation III of 1905 to pay the share-capital paid by the deceased, to the heir or representative in interest of the deceased together with any dividend that might have been declared up to that time and remaining unpaid.

6. The liability of a past member, to the extent mentioned in Rule 3, for the debts of the Bank as they existed at the time when he ceased to be a member, shall continue for a period of one year from the date of his ceasing to be member. The estate of a deceased member shall be liable to the extent mentioned in Rule 3 for a period of one year from the time of his decease for the debts of the Bank as they existed at the time of his decease.

Funds.

7. The Bank will ordinarily obtain funds from the following sources:—

1. Share subscription.
2. Deposits.
3. Miscellaneous fees.
4. Loans.

8. The value of each share (Rs. 250) shall be paid in such number of calls as the Board may fix from time to time.

9. The Board of Management may receive deposits at their discretion, or raise loans when needed, either from members or from others, and it shall be open to them to settle the terms on which the deposits and loans shall be taken, provided, however, firstly, that deposits from the members of the Bank or from Co-operative Societies shall be received in preference to all other kinds of deposits, and secondly, that the rate of interest on deposits shall not exceed 6 per cent per annum, but when interest exceeding 6 per cent per annum has to be paid, the sanction of the General Body shall be obtained.

10. Every member shall, on admission, pay an entrance fee of Rs. 2 per share. Every transferee of a share shall pay a fee of Rs. 2.

Loans.

11. The funds of the Society shall be primarily utilized for the purpose of granting loans to Co-operative Societies registered under Mysore Regulation, III of 1905.

(*a*) Loans may also be granted to share-holders of the Bank on the security of houses or other immovable property at such rates of interest as may from time to time be fixed by the Board of Management.

12. It shall be the duty of the Board of Management, in dealing with applications for loans received from Co-operative Societies, to consult the Registrar, and obtain from him full information regarding such Societies, and to see that loans to them are granted with due care and caution. The Board of Management shall settle all details in regard to the period for the repayment of the loans granted by them, the mode of repayment, the rate of interest, etc., provided, however, that no loan shall ordinarily be granted for a period exceeding five years, and provided also that the rate of interest charged on loans shall not ordinarily exceed $7\frac{1}{2}$ per cent per annum.

Management.

13. The Management of the Bank shall vest in a Board consisting of a President, a Vice-President, and three members, of whom one will be the Secretary. The Board of Management shall be elected by the General Body for a period of three years. Should a vacancy occur on the Board during the aforesaid period of three years, it shall be filled up by the remaining Members of the Board for the remaining portion of the period.

14. The Board of Management shall meet from time to time to conduct the business of the Bank. It shall, however, be open to the Secretary to circulate papers among the members of the Board and take their decision in that way. No action of the Board of Management shall be deemed valid unless it is passed by not less than three members.

15. The entire administration of the Bank shall vest in the Board of Management.

General Meetings.

16. A general meeting of the members of the Bank shall be convened once a year or oftener to pass the annual administration report, to consider the Registrar's notes of audit inspection, to make such amendments as may be necessary in the rules and to elect the Board of Management should their period be about to expire or have expired. It shall be the duty of the Board of Management to arrange for these general meetings. The members of an outgoing Board of Management shall continue to conduct the administration of the Bank till a new Board is elected.

Profits.

17. One-fourth of the net profits each year shall be carried to the credit of the reserve fund, one-eighth shall be paid as an honorarium to the Secretary, the remaining being available for distribution as dividends and bonus, as may on the recommendation of the Board of Management be decided upon at the annual general meeting.

18. The reserve fund shall be one and indivisible. It belongs to the members of the Bank collectively and it shall not be drawn upon except to make losses good. No member can claim a specified share in it.

Miscellaneous.

19. Should any doubt arise either in the construction of Mysore Regulation III of 1905, or of these rules, or in regard to any other matter, it shall be the duty of the Board of Management or of the general body of members to obtain the advice of the Registrar and to abide by it, or if they then deem it necessary, refer the matter for the orders of Government.

20. The transactions of the current year shall close on the 30th June 1909 and thenceforward the year shall be calculated to run from the 1st July of one year to the 30th June of the following year; and the month shall be the calendar month.

21. All notices for meetings and all other notices shall be deemed sufficient and proper if left at the address given by the share-holders, depositors, or other constituents of the Bank, it being their duty to keep the Bank informed of any change in the address.

22. No addition to, alteration in, or amendment of, the bye-laws shall be made without the previous approval of the Registrar, under Rule 7 (*c*) published in Government Notification No. J. 982—Legis. 4—3, dated 27th September 1905.